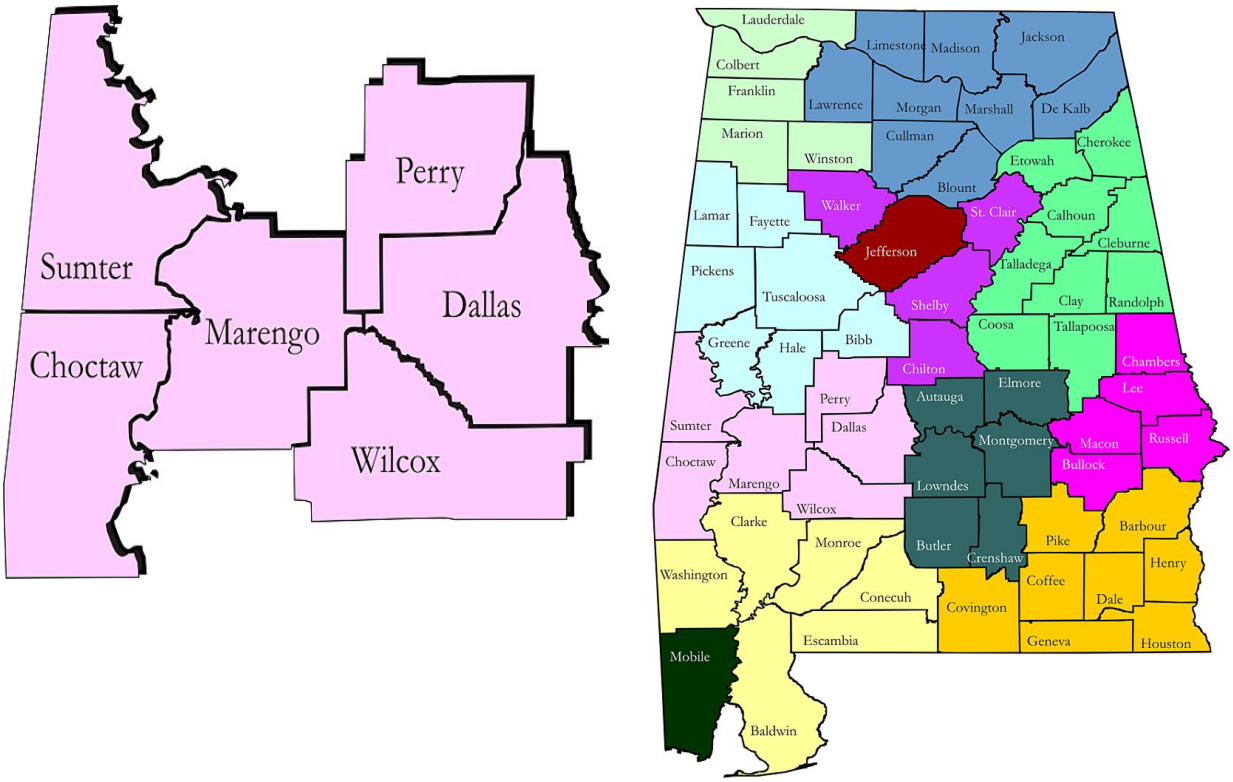
WIAA Region 6 Workforce Report



Summary

- Region 6 had a 7.9 percent unemployment rate in August 2005, with about 3,400 unemployed. However, the six-county region has a 14,500-strong available labor pool that is looking for better jobs and includes 11,100 underemployed workers. The underemployed are willing to commute farther and longer; for the one-way commute, 61 percent are prepared for 20 or more minutes longer and 55 percent will go 20 or more extra miles.

- In 2000, about 7,200 residents commuted out of the region for work, compared to 6,200 in-commuters. Dallas, Marengo, and Wilcox counties had net commuter inflow. Significant commuting within the region suggests that the roads and highways must be maintained properly to ensure uninterrupted movement of workers as impeded movement of workers can slow economic development.

- Educational attainment in the region is lower than for Alabama. Of the age 25 and over population, Alabama has 75 percent high school graduates and 19 percent bachelor's or higher degree holders, compared to 67 percent and 12 percent, respectively, for the region. Educational attainment for all counties in the region is below the state level.

- Employment is declining, but at a slower rate than the labor force as the region's population declines. More jobs might reduce commuter outflow, but also presents a challenge to workforce development. Initiatives addressing this challenge should consider (i) focusing on hard-to-serve populations (e.g. out-of-school youth and illiterate adults), (ii) facilitating in-commuting, and (iii) helping communities gain new residents. Increasing population is generally more beneficial to communities than in-commuting. Hard-to-serve populations are often outside of the mainstream economy, poor, and have difficulty finding work, but are potential labor force participants. Investment in training, transportation, child care, infrastructure, etc. may be needed to tap this resource.

- By sector, the top five employers in the region are manufacturing; health care and social assistance; educational services; retail trade; and public administration. These five industries provided 24,536 jobs, 69 percent of the region total in the second quarter of 2004. Two of these leading employers, manufacturing and educational services, had higher average monthly wages than the $2,312 regional average.

- On average about 2,000 jobs were created per quarter from second quarter 2001 to second quarter 2004; quarterly net job flows averaged 52. Job creation is the number of new jobs that are created either by new area businesses or through expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.

- No occupation is both high-demand and fast-growing. The top five high-demand occupations are Combined Food Preparation and Serving Workers; General and Operations Managers; Food Batchmakers; Registered Nurses; and Truck Drivers, Heavy and Tractor-Trailer. The top five fast-growing occupations are Parking Lot Attendants; Painters, Transportation Equipment; Network Systems and Data Communications Analysts; Multiple Machine Tool Setters, Operators and Tenders, Metal and Plastic; and Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic.

- The top 50 highest earning occupations are mainly in health, legal, management, engineering, computer, and postsecondary education fields. Of the top 10 high-earning occupations, four are in health and three are in management. Almost all high-earning occupations require bachelor's or higher degrees.

- Fast-growing or high-demand occupations are generally not high-earning. Of 14 selected high-demand, 11 selected fast-growing, and 50 selected high-earning occupations, only one high earning occupation, General and Operations Managers, is in the high-demand category. One occupation, Network Systems and Data Communications Analysts, is both high-earning and fast-growing.

- The most relevant skills for high-demand and fast-growing occupations are basic: active listening, reading comprehension, speaking, writing, and service orientation. High-demand and high-growth occupations are also common to the leading employment sectors. Economic development should aim to diversify and strengthen the region's economy by retaining, expanding, and attracting more high-wage providing industries.

- The finding that basic skills are important—for high-demand, high-growth, and high-earning jobs—indicates a strong need for training in these skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skills as well as enhancing these basic skills. Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- Skill and education requirements for jobs keep rising. This strongly emphasizes the need to raise educational attainment in the region and presents challenges to workforce development. It also presents opportunities for economic development through workforce development activities that involve postsecondary and higher education institutions. Higher incomes to graduates from these institutions would help to raise personal income for the region. Raising personal income by improving educational attainment for a region that has a large number of low wage jobs is an effective economic development strategy.

- A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

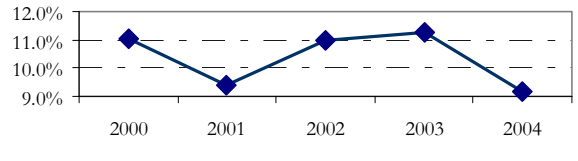
Workforce Supply

Labor Force Activity

The labor force includes all persons in the civilian noninstitutional population who are age 16 and over and who have, or are actively looking for, a job. Typically, those who have no job and are not looking for one are not included (e.g. students, retirees, and the disabled). Table 6.1 shows labor force information for Region 6 and its six counties for 2004 and August 2005. Smaller declines in the number of employed residents than in labor force size lowered unemployment in 2005 for the region and its counties. Marengo and Sumter counties had slightly more employed residents.

Unemployment rates in 2004 ranged between 6.2 percent and 12 percent for the counties, with 9.2 percent for the region. In August 2005, the unemployment range was 5.5 percent to 9.7 percent, with a 7.9 percent rate for the region. Annual unemployment rates for 2000 to 2004 are shown in Figure 6.1. The region's unemployment dropped to 9.4 percent in 2001, rose to 11.3 percent in 2003, and has been declining since. Employment in the region averaged 36,340 quarterly from the second quarter of 2001 to third quarter 2004 (Figure 6.2). Employment, which refers to the number of full-time and part-time jobs, was gradually and steadily declining over the period.

Figure 6.1 WIAA Region 6 Unemployment Rate



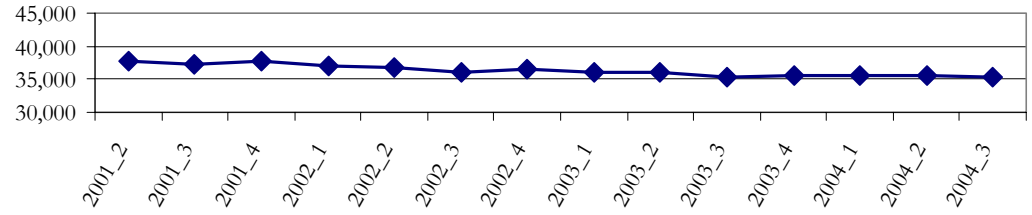
Source: Alabama Department of Industrial Relations.

Table 6.1 WIAA Region 6 Labor Force Information

	2004			
	Labor Force	Employed	Unemployed	Rate
Choctaw	5,513	5,039	474	8.60%
Dallas	16,437	14,776	1,661	10.11%
Marengo	8,910	8,362	548	6.15%
Perry	3,728	3,359	369	9.90%
Sumter	5,041	4,564	477	9.46%
Wilcox	3,772	3,321	451	11.96%
WIAA Region 6	43,401	39,421	3,980	9.17%
Alabama	2,148,766	2,029,314	119,452	5.56%
U.S.	147,401,000	139,252,000	8,149,000	5.53%
	2005 August			
	Labor Force	Employed	Unemployed	Rate
Choctaw	5,296	4,976	320	6.04%
Dallas	15,956	14,427	1,529	9.58%
Marengo	8,875	8,390	485	5.46%
Perry	3,625	3,296	329	9.08%
Sumter	4,949	4,611	338	6.83%
Wilcox	3,660	3,305	355	9.70%
WIAA Region 6	42,361	39,005	3,356	7.92%
Alabama	2,155,745	2,065,528	90,217	4.18%
U.S.	150,469,000	143,142,000	7,327,000	4.87%

Source: Alabama Department of Industrial Relations and U.S. Bureau of Labor Statistics.

Figure 6.2 WIAA Region 6 Employment



Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

Commuting Patterns

In 2000, roughly 1,000 more people commuted out of the region for work than commuted in (Table 6.2). There was significant commuting within the region as well. Dallas, Marengo, and Wilcox counties had net commuter inflow.

Table 6.2 also shows the one-way average commute time and distance for workers in 2004; the data were collected as part of a survey on underemployment. The one-way commute takes less than 20 minutes for 53 percent of resident workers; between 20 and 40 minutes for 26 percent; and more than 40 minutes for 18 percent. Four percent of workers take more than an hour.

The commute is less than 10 miles for 43 percent of workers and about one quarter travel 10 to 25 miles. Almost 18 percent of workers travel more than 25 miles one-way, with roughly 12 percent exceeding 45 miles. This commuting data suggest that roads and highways must be maintained properly to ensure uninterrupted movement of workers so as to not slow economic development.

Table 6.2 WIAA Region 6 Commuting Patterns

Area	Inflow, 2000		Outflow, 2000	
	Number	Percent	Number	Percent
Choctaw	774	12.5	1,495	20.7
Dallas	1,900	30.6	1,797	24.8
Marengo	1,504	24.2	1,149	15.9
Perry	284	4.6	865	12.0
Sumter	640	10.3	1,037	14.3
Wilcox	1,105	17.8	889	12.3
WIAA Region 6	6,207	100.0	7,232	100.0

Average commute time (one-way), 2004	Percent of workers
Less than 20 minutes	52.8
20 to 40 minutes	26.1
40 minutes to an hour	13.6
More than an hour	4.0

Average commute distance (one-way), 2004	Percent of workers
Less than 10 miles	43.2
10 to 25 miles	24.7
25 to 45 miles	15.6
More than 45 miles	12.2

Note: Rounding errors may be present.

Source: U.S. Census Bureau and Alabama Department of Industrial Relations.

Population

The Region 6 population estimate of 120,827 for 2004 is 3.1 percent less than was recorded for 2000 (Figure 6.3 and Table 6.3). The population shrank in four counties. The region's population is projected to fall 3.3 percent in this decade to about 120,500 by 2010. Population will decline in all six counties. Employment growth is needed to mitigate declining population and reduce commuter outflow, especially because workers tend to minimize commuting over time by moving closer to their workplaces whenever possible. Reducing commuter outflow will place less of a burden on the region's roads, especially as 12 percent of workers travel more than 45 miles one-way to work. Economic development activities should therefore mainly focus on job growth.

Figure 6.3 WIAA Region 6 Population

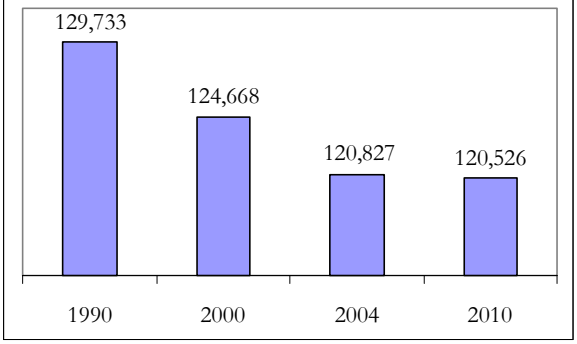


Table 6.3 WIAA Region 6 Population

	1990 Census	2000 Census	2004 Estimate	% Change 2000-2004	2010 Projected	% Change 2000-2010
Choctaw	13,568	13,183	12,958	-1.7	12,981	-1.5
Dallas	16,174	14,798	14,141	-4.4	13,538	-8.5
Marengo	12,759	11,861	11,522	-2.9	11,283	-4.9
Perry	23,084	22,539	22,084	-2.0	21,800	-3.3
Sumter	48,130	46,365	44,884	-3.2	45,111	-2.7
Wilcox	16,018	15,922	15,238	-4.3	15,813	-0.7
WIAA Region 6	129,733	124,668	120,827	-3.1	120,526	-3.3
Alabama	4,040,587	4,447,100	4,530,182	1.9	4,838,812	8.8
U.S.	248,709,873	281,421,966	296,655,404	5.4	314,571,000	11.8

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

Educational Attainment

Educational attainment of Region 6 residents who are 25 years old and over is shown below in Table 6.4 and Figures 6.4 and 6.5. About 67 percent graduated from high school and 12 percent hold a bachelor's or higher degree. Educational attainment for all counties in the region is below the state level. Educational attainment is important as skills rise with education and high wage 21st century jobs demand more skill sets.

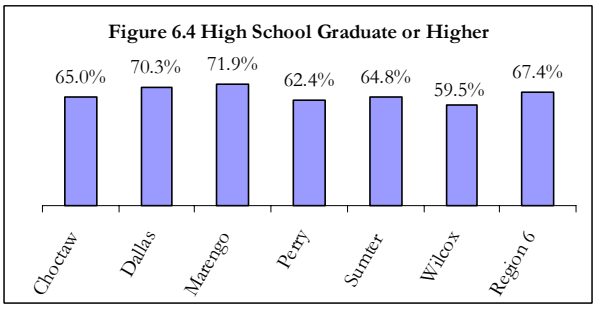


Figure 6.4 High School Graduate or Higher

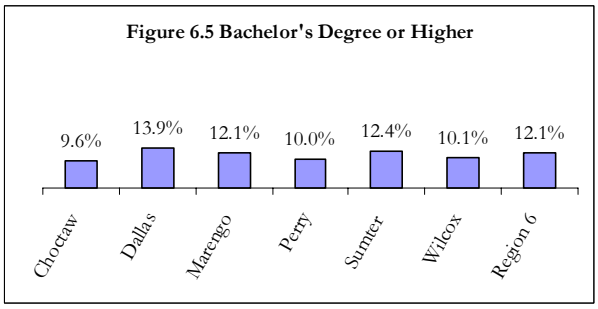


Figure 6.5 Bachelor's Degree or Higher

Per Capita Income

Per capita income (PCI) in Region 6 was at $20,844 in 2003 (Figure 6.6), 42 percent higher than in 1994, and about $5,660 or 21 percent less than the Alabama average of $26,505. Marengo County had the highest PCI with $24,188 and Wilcox had the lowest with $17,441. All six counties' PCIs were below the state average.

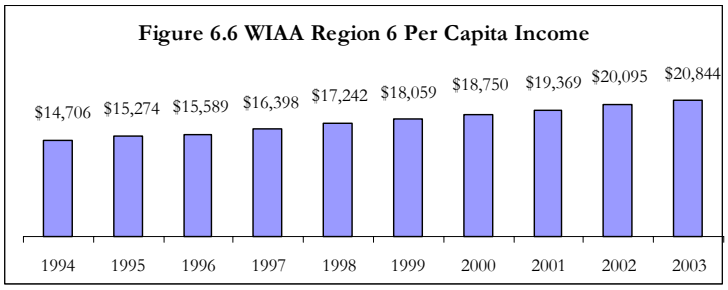


Figure 6.6 WIAA Region 6 Per Capita Income

Source: U.S. Bureau of Economic Analysis and Center for Business and Economic Research, The University of Alabama.

Table 6.4 Educational Attainment in 2000, Population 25 Years and Over

	Choctaw	Dallas	Marengo	Perry	Sumter	Wilcox	Region 6
Total	10,569	28,742	14,326	6,978	8,731	7,979	77,325
No schooling completed	317	645	259	206	276	244	1,947
Nursery to 4th grade	237	356	280	120	160	185	1,338
5th and 6th grade	341	941	411	280	400	182	2,555
7th and 8th grade	753	1,154	479	384	451	487	3,708
9th grade	465	1,240	618	330	352	313	3,318
10th grade	467	1,550	511	350	360	449	3,687
11th grade	470	1,225	685	441	459	584	3,864
12th grade, no diploma	654	1,413	777	514	619	784	4,761
High school graduate/equivalent	3,670	9,646	5,351	2,119	2,719	2,414	25,919
Some college, less than 1yr	587	1,599	761	513	439	418	4,317
Some college, 1+ yrs, no degree	1,119	3,355	1,765	735	1,123	792	8,889
Associate degree	476	1,614	697	285	287	318	3,677
Bachelor's degree	683	2,443	1,105	365	639	604	5,839
Master's degree	278	989	511	240	309	162	2,489
Professional school degree	43	510	72	48	91	25	789
Doctorate degree	9	62	44	48	47	18	228

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

Underemployment and Available Labor

Labor force data are often limited to information on the employed and the unemployed that is available from government sources. However, this information is not complete from the perspective of employers. New or expanding employers are also interested in underemployment because current workers are potential employees. In fact, experience requirements in job ads are evidence that many prospective employers look beyond the unemployed for workers.

Workers in occupations that underutilize their experience, training, and skills are underemployed. These workers might look for other work because their current earnings are below what they believe they can get or because they wish to not be underemployed. Underemployment occurs for various reasons including (i) productivity growth, (ii) spousal employment and income, and (iii) family constraints or personal preferences. The various contributing factors combined with economic, social, and geographic characteristics of areas make underemployment unique to areas.

The existence of underemployment identifies economic potential that is not being realized. It is extremely difficult to measure this economic potential because of uncertainties regarding additional income that the underemployed can bring to an area. It is clear, however, that underemployment provides opportunities for selective job creation and economic growth. A business that needs skills prevalent among the underemployed could locate in WIAAs with such workers regardless of those areas' unemployment rates. A low unemployment rate, which may falsely suggest limited labor availability, is not a hindrance to the business.

The underemployed present a significant pool of labor because they tend to respond to job opportunities that they believe are better for reasons that include (i) higher income, (ii) better benefits, (iii) better terms and conditions of employment, and (iv) better match with skills, training, and experience. The underemployed also create opportunities for entry level workers as they leave lower-paying jobs for better-paying ones. Even if their previously held positions are lost or not

filled (perhaps due to low unemployment), there is economic growth in gaining higher-paying jobs. Such income growth boosts consumption, savings, and tax collections. Quantifying the size of the underemployed is a necessary first step in exploiting it for economic development, workforce training, planning, and other uses.

WIAA Region 6 had an underemployment rate of 28.5 percent in 2004. Applying this rate to August 2005 labor force data means that about 11,100 employed residents were underemployed (Table 6.5). Adding the unemployed gives a total available labor pool of 14,472 for the region. This pool is more than four times the number of unemployed and is a more realistic measure of the available labor in the region. However, prospective employers must be prepared to offer the underemployed higher wages, better terms of employment, or some other incentives to induce them to change jobs. Underemployment ranged from 22.6 percent for Marengo County to 34.5 percent for Wilcox County. Dallas County has the largest available labor in the region and Perry County has the smallest.

Table 6.5 Available Labor in WIAA Region 6

	Region 6	Choctaw	Dallas	Marengo	Perry	Sumter	Wilcox
Labor Force	42,361	5,296	15,956	8,875	3,625	4,949	3,660
Employed	39,005	4,976	14,427	8,390	3,296	4,611	3,305
Underemployment rate	28.5%	25.0%	30.8%	22.6%	26.4%	30.9%	34.5%
Underemployed workers	11,116	1,244	4,444	1,896	870	1,425	1,140
Unemployed	3,356	320	1529	485	329	338	355
Available labor pool	**14,472**	**1,564**	**5,973**	**2,381**	**1,199**	**1,763**	**1,495**

Note: Rounding errors may be present. Based on August 2005 labor force data and 2004 underemployment rates.
Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Workforce Demand

Industry Mix

The manufacturing sector was the leading employer with 9,023 jobs in the second quarter of 2004 (Table 6.6). Rounding up the top five industries by employment are health care and social assistance; educational services; retail trade; and public administration. These five industries provided 24,536 jobs, 69 percent of the region total. The average monthly wage across all industries in the region was $2,312. Two of the leading employers, manufacturing and educational services, paid more than this average. The highest average monthly wages were for utilities ($3,667), wholesale trade ($3,066), and mining ($2,922). Accommodation and food services paid the least at $920. Professional, scientific, and technical services had the highest average monthly new hire wages with $2,469, followed by mining with $2,456. Accommodation and food services paid the least average monthly new hire wages with $711.

By broad industry classification, service producing industries provided about 60 percent of all covered jobs in the region in second quarter 2004 (Figure 6.7). Goods producing industries were next with 33 percent and public administration just over 7 percent.

Figure 6.7 WIAA Region 6 Employment Distribution

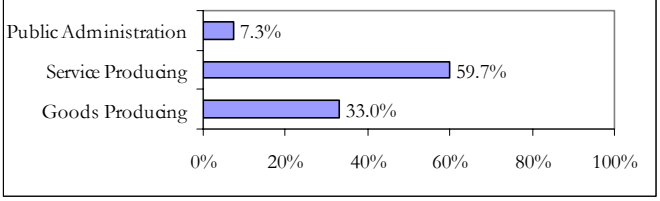


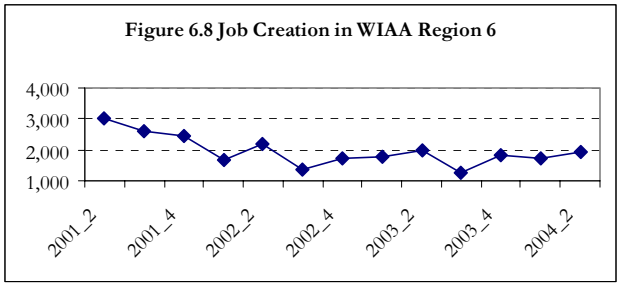
Table 6.6 Industry Mix (2nd Quarter 2004)

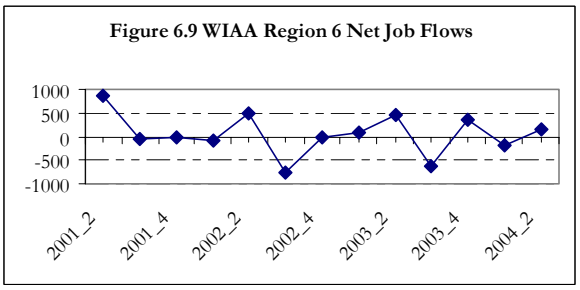
Industry by 2-digit NAICS Code	Total Employment	Share	Rank	Average Monthly Wage	Average Monthly New Hire Earnings
11 Agriculture, Forestry, Fishing and Hunting	1,203	3.39%	8	$2,252	$2,090
21 Mining	129	0.36%	20	$2,922	$2,456
22 Utilities	403	1.13%	15	$3,667	$2,177
23 Construction	1,356	3.82%	7	$2,659	$2,020
31-33 Manufacturing	9,023	25.41%	1	$2,876	$1,672
42 Wholesale Trade	991	2.79%	10	$3,066	$2,423
44-45 Retail Trade	4,062	11.44%	4	$1,669	$1,107
48-49 Transportation and Warehousing	884	2.49%	11	$2,762	$2,440
51 Information	336	0.95%	16	$2,705	$1,963
52 Finance and Insurance	739	2.08%	12	$2,663	$1,732
53 Real Estate and Rental and Leasing	336	0.95%	16	$1,928	$1,179
54 Professional, Scientific, and Technical Services	553	1.56%	14	$2,738	$2,469
55 Management of Companies and Enterprises	288	0.81%	18	$2,736	$2,301
56 Administrative and Support and Waste Management and Remediation Services	664	1.87%	13	$2,224	$1,536
61 Educational Services	4,371	12.31%	3	$2,381	$1,194
62 Health Care and Social Assistance	4,494	12.65%	2	$2,128	$1,572
71 Arts, Entertainment, and Recreation	145	0.41%	19	$1,479	$917
72 Accommodation and Food Services	1,811	5.10%	6	$920	$711
81 Other Services (except Public Administration)	1,139	3.21%	9	$1,240	$1,092
92 Public Administration	2,586	7.28%	5	$2,004	$1,411
ALL INDUSTRIES	35,513	100.00%		$2,312	

Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

Job Creation and Net Job Flows

On average, 1,972 jobs were created per quarter from second quarter 2001 to second quarter 2004 (Figure 6.8). Quarterly net job flows averaged 52 in the same period (Figure 6.9). Net job flows have ranged from a loss of 780 to a gain of about 870. Job creation refers to the number of new jobs that are created either by new area businesses or through the expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.





Source: Alabama Department of Industrial Relations and U.S. Census Bureau.

High-Demand Occupations

Table 6.7 shows the top 14 of about 360 occupations ranked by projected demand for jobs. Many of these occupations are common to the region's top five employment sectors identified earlier: manufacturing; health care and social assistance; educational services; retail trade; and public administration. Thus these sectors will continue to dominate employment in the region. Very few job openings for high-demand occupations are due to growth. This highlights the need to bring jobs to the region. The top five high-demand occupations are Combined Food Preparation and Serving Workers; General and Operations Managers; Food Batchmakers; Registered Nurses; and Truck Drivers, Heavy and Tractor-Trailer.

Fast-Growing Occupations

The 11 fastest growing occupations ranked by projected growth of employment are listed in Table 6.8. Many of these occupations are in production, health or health support, and installation and maintenance. The top five fast-growing occupations are Parking Lot Attendants; Painters, Transportation Equipment; Network Systems and Data Communications Analysts; Multiple Machine Tool Setters, Operators and Tenders, Metal and Plastic; and Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic. No occupation met the criteria used to select both high-demand and fast-growing occupations.

High-Earning Occupations

Any discussion of earnings must consider that wages vary with experience. Occupations with the highest entry wages may not necessarily have the highest average or experienced wages. Table 6.9 shows 50 selected highest earning occupations in the region. These high-earning occupations are mainly in health, legal, management, engineering, computer, and education fields. They are generally not fast-growing or high-demand. One occupation, General and Operations Managers, is both high-earning and high-demand. One occupation, Network Systems and Data Communications Analysts, is both high-earning and fast-growing.

Table 6.7 Selected High-Demand Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Annual Average Job Openings		
	Total	Due to Growth	Due to Separations
Combined Food Preparation and Serving Workers	25	0	25
General and Operations Managers	15	0	15
Food Batchmakers	15	5	10
Registered Nurses	15	0	15
Truck Drivers, Heavy and Tractor-Trailer	15	0	15
Sales Representatives, Except Technical and Scientific Products	10	0	10
Nursing Aides, Orderlies, and Attendants	10	0	10
First-Line Supervisors/Managers of Production and Operating Workers	10	0	10
Landscaping and Groundskeeping Workers	10	5	5
Industrial Truck and Tractor Operators	10	0	10
Customer Service Representatives	5	0	5
Water and Liquid Waste Treatment Plant and System Operators	5	0	5
Food Preparation Workers	5	0	5
Counter and Rental Clerks	5	0	5

Note: A minimum of 5 average annual job openings is used as selection criterion and data are rounded to nearest 5.
** Qualify as both high-demand and fast-growing occupations.
*** The data for these occupations are confidential using Bureau of Labor Statistics standards.
Source: Alabama Department of Industrial Relations.

Table 6.8 Selected Fast-Growing Occupations (Base Year 2002 & Projected Year 2012)

Occupation	Employment		Percent Change	Annual Growth (Percent)	Total Annual Average Job Openings
	2002	2012			
Parking Lot Attendants	10	30	200.0	11.61	0
Painters, Transportation Equipment	***	***	***	***	***
Network Systems and Data Communications Analysts	10	20	100.0	7.18	0
Multiple Machine Tool Setters, Operators and Tenders, Metal & Plastic	***	***	***	***	***
Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	20	30	50.0	4.14	0
Medical Assistants	20	30	50.0	4.14	0
Nonfarm Animal Caretakers	***	***	***	***	***
Aircraft Mechanics and Service Technicians	***	***	***	***	***
Extruding and Drawing Machine Setters, Operators, and Tenders, Metal & Plastic	***	***	***	***	***
Cooling and Freezing Equipment Operators and Tenders	***	***	***	***	***
Personal and Home Care Aides	***	***	***	***	***

Note: Selection criterion is annual growth rate of at least 1.8 percent. Employment level data are rounded to the nearest 10 and job openings data are rounded to the nearest 5.
** Qualify as both high-demand and fast-growing occupations.
*** The data for these occupations are confidential using Bureau of Labor Statistics standards.
Source: Alabama Department of Industrial Relations.

Table 6.9 Selected High-Earning Occupations

Occupation	Mean Annual Salary ($)
Family and General Practitioners	146,370
Chief Executives	135,304
Dentists, General	134,410
Lawyers	106,933
Engineering Managers	96,200
General and Operations Managers	85,821
Mathematicians	83,366
Pharmacists	83,075
Chiropractors	82,514
Computer and Information Systems Managers	81,078
Marketing Managers	79,435
Sales Managers	78,957
Environmental Engineers	76,960
Computer Software Engineers, Systems Software	76,794
Chemical Engineers	76,502
Financial Managers	76,003
Medical and Health Services Managers	72,925
Purchasing Managers	72,488
Mechanical Engineers	70,221
Education Administrators, Postsecondary	69,618
Industrial Production Managers	69,056
Management Analysts	68,806
Construction Managers	67,163
Computer Programmers	66,789
Computer Systems Analysts	65,250
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	64,979
Education Administrators, Elementary and Secondary School	64,480
Architects, Except Landscape and Naval	63,627
Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	63,502
Civil Engineers	63,190
Business Teachers, Postsecondary	63,170
First-Line Supervisors/Managers of Non-Retail Sales Workers	63,149
Physical Therapists	61,714
Transportation, Storage, and Distribution Managers	61,630
Landscape Architects	60,965
Public Relations Managers	60,944
Administrative Services Managers	59,218
Judges, Magistrate Judges, and Magistrates	58,802
Biological Science Teachers, Postsecondary	58,090
Property, Real Estate, and Community Association Managers	57,720
Conservation Scientists	57,678
Advertising and Promotions Managers	56,014
Biomedical Engineers	55,702
Computer Science Teachers, Postsecondary	55,620
Network and Computer Systems Administrators	54,538
Network Systems and Data Communications Analysts	54,350
Occupational Health and Safety Technicians	54,246
Database Administrators	54,142
First-Line Supervisors/Managers of Fire Fighting and Prevention Workers	52,666
Loan Officers	52,333

Note: The list of occupations is specific to the region, but earnings are statewide. Only the 50 highest earning single occupations are presented. The list does not include occupations that are affected by confidentiality. Some high-earning occupational groups are not listed because earnings can vary considerably for occupations within these groups. Employment data are rounded to the nearest 10. The data provided are based on the November 2004 release of the Occupational Employment Statistics (OES) combined employment and wage file. Estimates for specific occupations may include imputed data.

"NA" indicates data items that are not publishable or not available.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Industrial Relations.

Other Workforce Issues

Available Labor

The availability of labor is critical to economic development. WIAA Region 6 currently has a low unemployment rate, but it also has a 14,500-strong available labor pool that is looking for better jobs, typically higher-wage ones. This pool includes 11,100 underemployed workers. The region's underemployed workers are willing to commute farther and longer; 61 percent are prepared for 20 or more minutes longer and 55 percent for 20 or more extra miles.

A lack of job opportunities in their areas, low wages at the available jobs, and living too far from those jobs are the primary reasons given for being underemployed. Retirement and disability are the primary reasons given for not working, but a lack of job opportunities is also frequently cited. Some nonworkers may become part of the labor force if their problems can be addressed. Economic development efforts should take these factors into consideration.

Employment is declining, but at a slower rate than the labor force. Higher employment demand could reduce commuter outflow and present communities with opportunities to attract new residents. Some communities must be prepared to invest in amenities and infrastructure to support such growth because immigration is generally more beneficial to communities than in-commuting. The state must help because of the severe lack of funds in the region.

Immigration is one way of growing the labor force through growth in the population, especially for a region that is losing residents. The region's population growth rate is below the state's rate and this is expected to continue through 2010. Another strategy to expand the labor force to meet possible increases in employment demand is to focus on hard-to-serve populations, which include persons in poverty, those receiving welfare, those in sparsely populated areas, those on active parole, and out-of-school youth. These people are often outside of the mainstream economy and poor. They usually have difficulty finding work because they have low levels of educational attainment, lack occupational skills, or face geographic or other barriers. Some investment in training, transportation, child care, infrastructure, etc. may be needed to tap these potential workers. This strategy will raise labor force participation and may be very effective given the region's population trend.

Skills

Jobs require skill sets and it is necessary that jobholders have the relevant skills. High earning occupations typically require more complex skills, which are obtained in the pursuit of the high educational attainment levels that such jobs require. Low earning occupations require fewer and more basic skill sets; some low earning occupations have no minimum skill set requirements (e.g. dishwashers and maids).

Table 6.10 shows the percentage of selected occupations in WIAA Region 6 that list a particular skill as primary. We define a primary skill as one in the top 10 of the required skill set for an occupation. O*NET Online provides skill sets for all occupations ranked by the degree of importance. Thus primary skills are more important than other skills. It is important to note that a particular skill may

be more important and more extensively used in one occupation than another. Table 6.10 does not address such cross-occupational skill importance comparisons.

Table 6.10 Share of Selected Occupations for Which Skill Is Primary

	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
Basic Skills			
Active Learning	21%	18%	62%
Active Listening	79%	45%	84%
Critical Thinking	57%	27%	84%
Learning Strategies	21%	9%	16%
Mathematics	57%	18%	26%
Monitoring	36%	18%	28%
Reading Comprehension	86%	55%	92%
Science	0%	9%	24%
Speaking	64%	36%	62%
Writing	29%	9%	46%
Complex Problem Solving Skills			
Complex Problem Solving	0%	9%	44%
Resource Management Skills			
Management of Financial Resources	7%	0%	14%
Management of Material Resources	14%	0%	6%
Management of Personnel Resources	14%	0%	16%
Time Management	43%	36%	58%
Social Skills			
Coordination	36%	27%	38%
Instructing	36%	27%	30%
Negotiation	7%	0%	14%
Persuasion	14%	0%	18%
Service Orientation	43%	27%	18%
Social Perceptiveness	36%	36%	18%
Systems Skills			
Judgment and Decision Making	14%	27%	50%
Systems Analysis	0%	0%	6%
Systems Evaluation	0%	0%	10%
Technical Skills			
Equipment Maintenance	21%	27%	0%
Equipment Selection	14%	45%	8%
Installation	0%	27%	4%
Operation and Control	29%	36%	0%
Operation Monitoring	29%	36%	0%
Operations Analysis	0%	0%	20%
Programming	0%	0%	4%
Quality Control Analysis	0%	36%	4%
Repairing	0%	18%	0%
Technology Design	0%	9%	10%
Troubleshooting	14%	27%	14%

Note: Definitions for skill types and skills are available at http://online.onetcenter.org/skills/

Source: O*NET Online and Center for Business and Economic Research, The University of Alabama.

In general, basic skills are most frequently listed as primary. Science and critical thinking skills are primary for more selected high-earning occupations than selected fast-growing and selected high-demand occupations. A similar pattern holds for complex problem solving, resource management, and systems skills; these skills require longer training periods and postsecondary education. The high-demand and high-growth occupations in the region are dominated by occupations for which the most relevant skills are active listening, reading comprehension, speaking, writing, and service orientation.

Education and Training Issues

Educational attainment in WIAA Region 6 is below that of the state. Sixty-seven percent of residents age 25 and over have graduated from high school and 12 percent have a bachelor's or higher degree, compared to 75 percent and 19 percent, respectively, for Alabama. All the region's six counties have lower educational attainment than the state. Education and skill requirements for jobs keep rising and emphasize a very strong need to raise educational attainment in the region.

Table 6.11 shows the number of selected occupations in the region for which a particular education/training category is most common. In general, high-earning occupations typically require a bachelor's or higher degree. Most of the high-demand and fast-growing jobs do not require postsecondary training. Some form of on-the-job training is the minimum requirement for most high-demand and fast-growing occupations. The challenge for the region is that future jobs are likely to require some postsecondary education and training as more of the lower wage jobs are shipped overseas.

Table 6.11 Number of Selected Occupations with Most Common Education/Training Requirement

Most Common Education/Training Requirements Categories	Selected High-Demand Occupations	Selected Fast-Growing Occupations	Selected High-Earning Occupations
First Professional Degree			5
Doctoral Degree			1
Master's Degree			4
Work Experience Plus a Bachelor's or Higher Degree	1		16
Bachelor's Degree		1	20
Associate Degree	1		
Postsecondary Vocational Training		1	
Work Experience in a Related Occupation	1		3
Long-term On-the-job Training	1		
Moderate On-the-job Training	3	6	1
Short-term On-the-job Training	7	3	

Note: The last three education and training requirements categories are based on the length of time it generally takes an average worker to achieve proficiency for occupations in which postsecondary training is usually not needed for entry. **Long-term** requires more than 12 months on-the-job training that can include up to four years of apprenticeship, formal classroom instruction, and short-term employer-sponsored training. Trainees are generally considered to be employed in the occupation. **Moderate-term** requires one to 12 months on-the-job experience and informal training. **Short-term** requires up to one month on-the-job experience and training.

Source: O*NET Online; Center for Business and Economic Research, The University of Alabama; and Alabama Department of Industrial Relations.

The finding that basic skills are important for all the selected occupations (Table 6.10) indicates a strong need for training in these skills. Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skill types while enhancing basic skills. Employers should be an integral part of planning for training as they can point out the skill needs of the future and any existing gaps.

High-earning occupations make up a small component of total employment and jobs offered by top employers in the region. Diversifying the region's economy would strengthen it. Economic development should also focus on retaining, expanding, and attracting businesses that provide more high-earning jobs. Workforce development should pay attention to postsecondary and higher educational systems to ensure a ready and available workforce for these businesses. The higher incomes to graduates of these institutions would help raise personal income for the region. Raising personal income by improving educational attainment and technological skills for a region that has a large number of low wage jobs is an effective economic development strategy.

A highly educated and productive workforce is a critical economic development asset. Together, workforce development and economic development can provide this asset and build a strong well-diversified regional economy. Indeed, one cannot achieve success without the other.

Regional Advisory Council Annual Report: Implications for Action

The material in this section is from the June 2005 Annual Report of the Region 6 Workforce Development Regional Advisory Council. It does not necessarily reflect the opinions of the direct contributors to this workforce report.

Action issue 1. Where must education and training opportunities be advanced or marketed to meet the demands of critical skills/worker shortages and high-growth occupations in the region?

There exists a significant and crucial need for focused industry training to address the emerging and future needs of the region.

Throughout the region an emphasis must be placed on instilling the "soft skills" (workplace ethics, appreciation of diversity, problem-solving, team-building, and communications) that apply to all industries and most small businesses. The state's 10-week FIT basic workplace skills training must be made available on a broader basis during the day and evening. Best practices should be drawn from successful programs, identified by employers not statistics, and taught to the leaders of the other programs within the state. Broader participation is needed in Industry-Education Alliances such as the Alabama Southern Industry Alliance for a Technologically Advanced Workforce. While Alabama Southern is not in this region, several of the industries in the Alliance are located here. This Scholarships-Internships-Jobs initiative provides funds from local industries to develop a "home-grown" workforce. This is a model that holds great promise for rural Alabama. The region's two-year colleges are committed to meeting the region's workforce training needs and need increased and more stable support for vocational, technical and occupational training.

In the Western part of the region training needs are increasing for pulp and paper companies and the forest products industries in general. In the Eastern part of the region, due to the recent

momentum of Hyundai and its suppliers, automotive manufacturing and health care are constantly growing needs.

Action issue 2. How can/should worker skills be generally upgraded in the region?

Worker skills must be upgraded in the region!

Due to some of the negative topics listed earlier, Region 6, possibly more than any other region in the state, must focus on current residents and not rely on attracting a workforce to move into the region. Systems are in place through the career centers and higher education-based training programs to address most of these worker skills issues. One area of need in particular is multi-craft maintenance training provided by our community colleges. A regional Workforce Board must be established that can address local needs and provide targeted funding to meet the needs that are identified. No regionwide collaboration among educators, parents, HR professionals and/or plant managers, guidance counselors, and other professionals involved in workforce preparation targeting workforce needs for Region 6 and the training available through the Workforce Investment Act exists. Funds must be made available to host events to identify needs and educate local residents on new or expanding opportunities within the region.

Action issue 3. How can future workers be helped to make better choices about career preparation?

Future workers must be provided with accurate and timely information developed for the region in order to aid them in making better choices about education and training.

A strong, effective career guidance system in the school systems is vital to this need. An expansion of job shadowing opportunities for both teachers and students, school-to-career programs, and other opportunities to inform students and parents of opportunities that are developing within the region must be established. We must foster a paradigm shift for those who request better jobs for their children to one where parents (and others) emphasize preparation of the potential employee with the belief that when prepared, a good job will follow. Few programs exist that target both students and parents in a coordinated plan for career guidance. A plan was developed during the recent meetings of the Alabama-Tombigbee Leadership Initiative to host a day-long event and target minority churches with this type of program. Unfortunately, while this was a very high priority of the Workforce Development sub-committee, no funding was identified to sponsor such an event.

Action issue 4. Should worker assessment and credentialing be increased in the region (pre-service and in-service training)?

Creation of a multi-craft industrial maintenance training program (degree or certificate) within the region's community colleges is a tremendous need for this area.

With the influx of manufacturing jobs associated with Hyundai and related suppliers, and contracts that will likely occur in nearby communities related to avionics, flight training, and naval defense contracts, workers with these skills will be in high demand. Even if this need is met within the current workforce, a significant need to backfill current employers with workers who possess these skills will be necessary. (Typically these high-demand highly skilled technical workers often leave current employers lured to new companies by higher wages and/or signing bonuses.) This may become particularly damaging for companies in Dallas County.

Action issue 5. What roles should be played by the various stakeholder groups (employers, partner agencies, elected officials, faith-based/community-based organizations, Workforce Investment Board members, grantor agencies, news media, vendors/contractors) at the local, regional, state and federal levels in implementing the action steps outlined above?

Employers—Employers must regularly communicate their current and projected workforce training needs to the appropriate training providers, and establish methods to offer candid feedback on training effectiveness. Participation in the Alliance has shown real promise. This program should be modeled throughout the region.

Partner agencies—These agencies should share information with each other about workforce training plans and initiatives, and collaborate when it is to the benefit of clients.

Elected officials—Should become familiar with workforce development issues and offer to bring employers and training providers together when it appears the workforce development system is not functioning well.

Faith- and community-based organizations—When these organizations have unique and valuable training capabilities, they should have an opportunity to provide training. Particularly in rural areas, these groups can provide an excellent outreach and exert significant influence on community residents.

News media—As a public service, the media can help highlight career opportunities and the education and training requirements for career entry and long-term success.

State/government agencies—These groups, particularly ADO, can offer advice on upcoming projects and provide introductions to bring new employers together with local training leaders and elected officials. Others who should participate in these activities by talking to service clubs, PTAs, and schools include EDPA, ATN, and AIDT.

Addressing the workforce training issues of older persons is a vital need.

There are a high number of older people (55 years of age and older) who have lost jobs and need new job training skills in order to compete in job market. Additional funding for the ATRC Senior Aides Job Training Program would help meet this growing need.